

**DETERMINATION AND FINDINGS
FOR A
SOLE SOURCE PROCUREMENT**

CONTRACT NO:	CW26699
CAPTION:	Comprehensive Inmates Medical, Mental, Pharmacy and Dental Services for DOC Inmates
PROPOSED CONTRACTOR:	Unity Health Care, Inc.
PROGRAM AGENCY:	Department of Corrections

FINDINGS

1. AUTHORIZATION:

D.C. Official Code §2-354.04, 27 DCMR 1304, 1700, 1701 and 2005.6(b)

2. MINIMUM NEED:

The Department of Corrections (DOC) of the District of Columbia has an immediate need for full continuum health care service to provide Comprehensive Medical and Mental Health Services to an estimated population of 2,200 inmates housed in the Central Detention Facility (CDF), 1901 D Street, SE; the Correctional Treatment Facility (CTF), 1901 E Street, SE, and four (4) Community Correctional Centers under the Community-Oriented Correctional Health Care (COCHC) model.

3. ESTIMATED REASONABLE PRICE:

The estimated fair and reasonable price for the contract extension is \$7,866,860.00 from October 1, 2014 through January 31, 2015.

4. FACTS WHICH JUSTIFY SOLE SOURCE PROCUREMENT:

Unity Health Care, Inc., (Unity) was awarded Contract No. DCFL-2006-D-6001 in 2006 for a three (3)-year base period with two (2)- one (1) year options. In anticipation of the expiration of this contract, in 2011 the Office of Contracting and Procurement (OCP) issued a Request for Proposal (RFP), DCFL-2011-R-1001, to solicit for a competitive bid.

During this procurement process, new leadership at the Department of Corrections re-evaluated DOC's inmate healthcare requirements. Following this process, the Interim Director of DOC advised OCP that DOC required more time and expertise to re-examine the minimum needs set forth in the RFP and requested OCP to extend the current contract and cancel the RFP, issued in 2011. The RFP was cancelled on May 13, 2011 and a sole source extension, to Unity Healthcare, was awarded for the period of October 1, 2011 to September 30, 2012.

DOC subsequently engaged the services of a consulting firm, Public Consulting Group, Inc. to advise and make recommendations of how DOC can best improve the District of Columbia inmates' healthcare services and reduce costs. This engagement took substantially more time than anticipated and therefore the contract with Unity was extended once again, through September 30, 2013.

DOC has now developed a new Statement of Work based on the findings and recommendations of the Public Consulting Group, Inc. A new solicitation was advertised in the Washington Times on July 5th, 2013 and simultaneously released on the OCP's E-Sourcing module, with a closing date of August 19, 2013.

As a result, OCP received a large volume of questions from prospective offerors which required additional time to prepare responses and effectively respond to the solicitation. Due to the unique complexity of this procurement, prospective offerors were invited to participate in two (2) additional rounds of questions with due dates of September 9, 2013 and December 27, 2013. Furthermore, the closing date for proposal submissions was extended from January 27, 2014 to February 18, 2014.

A comparative analysis of Medical Care cost for Washington-Baltimore, DC-MD-VA-WV was conducted and the findings are as follows; In 2008, Medical Care cost increased by 3.69%, 2009 (4.40%), 2010 (7.39%), 2011 (4.23%); the data for 2012 is not yet available. Further analysis showed that the signed District of Columbia contract dated July 19, 2006; the average population of the inmates served in 2006 to 2009 was 3,090; 2010 was 3,034; 2011 was 3,100; 2012 was 2,630 and 2013 is 2,780. The cost of medical services for the inmates in 2006 to 2009 (3 base years) was \$84,831,907.00. Option Year One, October 1, 2009 to September 30, 2010, the cost was \$28,521,422.98; Option Year Two, October 1, 2010 to September 30, 2011, the cost was \$24,451,535.00. The cost of the extending the contract from October 1, 2011 to September 30, 2012 was \$24,451,535.00. Additionally, the current cost of extending the contract from April 1, 2014 to September 30, 2014 is \$11,800,290.00. The more recent cost reductions may be attributed to the decline in inmate population and lower medical cost in 2010 and 2011.

The District of Columbia must continue to provide healthcare services during this period and allow for a sixty (60) day transition period. The new long term contract requirement has not been awarded due to additional information requested from two (2) offerors in the competitive range. The due date for submission of the 3rd Best and Final Offer (BAFO) is August 20, 2014. Moving forward, adequate time has been considered and allocated in order to perform the due diligence required for this contract award. For reasons outlined above, the current contract must be extended from October 1, 2014 through January 31, 2015.

5. CERTIFICATION BY AGENCY HEAD:

I hereby certify that the above findings are true, correct and complete.

Date

Thomas N. Faust
Director, Department of Corrections

6. CERTIFICATION BY CONTRACTING OFFICER:

I have reviewed the above findings and certify that they are sufficient to justify the use of the sole source method of procurement under the cited authority. I certify that the notice of intent to award a sole source contract was published in accordance with 27 DCMR 1304 and that no response was received. I recommend that the Chief Procurement Officer approve the use of the sole source procurement method for this proposed contract.

Date

Callie Byrd-Williams
Contracting Officer

DETERMINATION

Based on the above findings and in accordance with the cited authority, I hereby determine that it is not feasible or practical to invoke the competitive solicitation process under either Section 402 or 403 of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Law 18-371; D.C. Official Code § 2-354.02 or 2-354.03). Accordingly, I determine that the District is justified in using the sole source method of procurement.

Date

James D. Staton, Jr.
Chief Procurement Officer